

SMALL BUSINESS DEVELOPMENT (SBD) LOAN PROGRAM

Program Description	The SBD Loan Program is designed to assist small developers by providing capital financing that is typically unavailable to them.
Developer Eligibility	Developer must meet all listed definitions of a Small Business : <ul style="list-style-type: none"> • Independently owned and operated • Principal office must be located in California • Employees number 100 or fewer • Average annual gross receipts for the previous three (3) years can not exceed \$10,000,000
Property Eligibility	<ul style="list-style-type: none"> • Projects limited to those with proof of take-out or permanent financing in place. • Projects are subject to CalHFA's affordability restrictions.
Loan Amount	\$300,000 maximum
Fees (subject to change)	None
Rate & Terms (subject to change)	Interest Rate: 3% simple interest, deferred. <ul style="list-style-type: none"> • Maximum loan term normally through the construction loan period, generally repaid from the proceeds of the permanent financing. • Loan secured by the project's underlying land
Eligible Costs (Predevelopment)	50% of Predevelopment costs, including, but not limited to: <ul style="list-style-type: none"> • Land acquisition & holding costs • Architectural fees • Engineering costs • Permit and related fees
Disbursements	Subject to receipt of acceptable invoices, loan funds shall be disbursed in increments not less than \$10,000
Questions	Questions regarding the SBD Loan Program can be directed to CalHFA's Special Lending Programs Division: <ul style="list-style-type: none"> • Tom Nann, Special Lending Programs • P.O. Box 4034, Sacramento, CA 95812 • Phone: 916.322.0651 • Email addresses: tnann@calhfa.ca.gov

IMPORTANT DISCLOSURE INFORMATION:

The information provided in this program description is for guidance only. While we have taken care to provide accurate information, we cannot cover every circumstance nor program nuance. This program description is subject to change from time to time without prior notice. CalHFA does not discriminate on the basis of disability in employment or in the admission and access to its programs or activities.